

SENATE BILL 472

M3

2lr1746
CF HB 402

By: **Senator Edwards**

Introduced and read first time: February 2, 2012

Assigned to: Education, Health, and Environmental Affairs and Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Environment – Dormant Mineral Interests – Termination by Court Order**
3 **Requirements**

4 FOR the purpose of requiring a court order that terminates a certain dormant mineral
5 interest to identify certain information; requiring a clerk of the court that issued
6 a certain order to record the order in the land records; and generally relating to
7 the termination of dormant mineral interests.

8 BY repealing and reenacting, without amendments,
9 Article – Environment
10 Section 15–1201
11 Annotated Code of Maryland
12 (2007 Replacement Volume and 2011 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article – Environment
15 Section 15–1203(d)
16 Annotated Code of Maryland
17 (2007 Replacement Volume and 2011 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
19 MARYLAND, That the Laws of Maryland read as follows:

20 **Article – Environment**

21 15–1201.

22 (a) In this subtitle the following words have the meanings indicated.

23 (b) “Mineral interest” means an interest in a mineral estate, however created
24 and regardless of form, whether absolute or fractional, divided or undivided, corporeal

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 or incorporeal, including a fee simple or any lesser interest or any kind of royalty,
2 production payment, executive right, nonexecutive right, leasehold, or lien in
3 minerals, regardless of character.

4 (c) "Mineral" includes:

5 (1) Gas;

6 (2) Oil and oil shale;

7 (3) Coal;

8 (4) Gaseous, liquid, and solid hydrocarbons;

9 (5) Cement materials, sand and gravel, road materials, and building
10 stone;

11 (6) Chemical substances;

12 (7) Gemstone, metallic, fissionable, and nonfissionable ores; and

13 (8) Colloidal and other clay, steam, and geothermal resources.

14 (d) "Severed mineral interest" means a mineral interest that is severed from
15 the interest in the surface estate overlying the mineral interest.

16 (e) "Surface estate" means an interest in the estate overlying a mineral
17 interest.

18 (f) (1) "Surface owner" means any person vested with a whole or
19 undivided fee simple interest or other freehold interest in the surface estate.

20 (2) "Surface owner" does not include the owner of a right-of-way,
21 easement, or leasehold on the surface estate.

22 (g) (1) "Unknown or missing owner" means any person vested with a
23 severed mineral interest whose present identity or location cannot be determined:

24 (i) From the records of the county where the severed mineral
25 interest is located; or

26 (ii) By diligent inquiry in the vicinity of the owner's last known
27 place of residence.

28 (2) "Unknown or missing owner" includes the heirs, successors, or
29 assignees of an unknown or missing owner.

1 15-1203.

2 (d) (1) A surface owner of real property that is subject to a mineral
3 interest who brings an action to terminate a dormant mineral interest in accordance
4 with this section shall bring the action in the circuit court of the jurisdiction in which
5 the real property is located.

6 (2) A court order that terminates a mineral interest merges the
7 terminated mineral interest, including express and implied appurtenant surface rights
8 and obligations, with the surface estate in shares proportionate to the ownership of
9 the surface estate, subject to existing liens for taxes or assessments.

10 **(3) (I) A COURT ORDER THAT TERMINATES A MINERAL**
11 **INTEREST SHALL IDENTIFY:**

12 **1. THE MINERAL INTEREST;**

13 **2. EACH SURFACE ESTATE INTO WHICH THE**
14 **MINERAL INTEREST IS MERGED, INCLUDING THE TAX MAP AND PARCEL**
15 **NUMBER;**

16 **3. THE NAME OF EACH SURFACE OWNER;**

17 **4. IF KNOWN, THE NAME OF EACH PERSON THAT**
18 **OWNED THE MINERAL INTEREST PRIOR TO THE TERMINATION DATE; AND**

19 **5. ANY INFORMATION DETERMINED BY THE COURT**
20 **AS APPROPRIATE TO DESCRIBE THE EFFECT OF THE TERMINATION AND**
21 **MERGER OF THE MINERAL INTEREST.**

22 **(II) THE CLERK OF THE COURT THAT ISSUED THE ORDER**
23 **SHALL RECORD THE ORDER IN THE LAND RECORDS.**

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 October 1, 2012.